



FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[WC Docket No. 18-89; FCC 20-176; FR ID 104232]

Protecting National Security Threats to the Communications Supply Chain Through FCC Programs

AGENCY: Federal Communications Commission.

ACTION: Final rule; announcement of effective date.

SUMMARY: In this document, the Federal Communications Commission (Commission) announces that the Office of Management and Budget (OMB) has approved, for a period of three years, an information collection associated with the rules for the Secure and Trusted Communications Networks Act of 2019 contained in the Commission's Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs Order, FCC 20-176. This document is consistent with the Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs Order, which stated that the Commission would publish a document in the Federal Register announcing the effective date of the new information collection requirements.

DATES: The addition of § 54.11 published at 86 FR 2904, January 13, 2021, is effective

[INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Jesse Jachman, Wireline Competition Bureau at (202) 418-7400 or TTY (202) 418-0484. For additional information concerning the Paperwork Reduction Act information collection requirements contact Nicole Ongele at (202) 418-2991 or via email: Nicole.Ongele@fcc.gov.

SUPPLEMENTARY INFORMATION: The Commission submitted revised information collection requirements for review and approval by OMB, as required by the Paperwork Reduction Act (PRA) of 1995, on June 1, 2022, which were approved by OMB on July 5, 2022. The information collection requirements are contained in the Commission's Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs Order,

FCC 20-176 published at 86 FR 2904, January 13, 2021. The OMB Control Number is 3060-0986. If you have any comments on the burden estimates listed in the following, or how the Commission can improve the collections and reduce any burdens caused thereby, please contact Nicole Ongele, Federal Communications Commission, 45 L Street, NE, Washington, DC 20554. Please include the OMB Control Number, 3060-0986, in your correspondence. The Commission will also accept your comments via e-mail at PRA@fcc.gov.

To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (TTY).

SYNOPSIS

As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), the Commission is notifying the public that it received OMB approval on July 5, 2022, for the information collection requirements contained in 47 CFR 54.11 published at 86 FR 2904, January 13, 2021. Under 5 CFR part 1320, an agency may not conduct or sponsor a collection of information unless it displays a current, valid OMB Control Number.

No person shall be subject to any penalty for failing to comply with a collection of information subject to the Paperwork Reduction Act that does not display a current, valid OMB Control Number. The OMB Control Number is 3060-0986.

The foregoing notice is required by the Paperwork Reduction Act of 1995, Pub. L. 104-13, October 1, 1995, and 44 U.S.C. 3507.

The total annual reporting burdens and costs for the respondents are as follows:

OMB Control Number: 3060-0986.

OMB Approval Date: July 5, 2022.

OMB Expiration Date: July 31, 2025.

Title: High-Cost Universal Service Support.

Form Number: FCC Form 481 and FCC Form 525.

Type of Review: Revision of a currently approved collection.

Respondents: Business or other for-profit, Not-for-profit institutions and State, Local or Tribal

Government.

Number of Respondents and Responses: 2,229 respondents; 13,804 responses.

Estimated Time per Response: 0.1 - 15 hours.

Frequency of Response: On occasion, quarterly and annual reporting requirements, recordkeeping requirement and third party disclosure requirement.

Obligation to Respond: Required to obtain or retain benefits. Statutory authority for this information collection is contained in 47 U.S.C. 151-154, 155, 201-206, 214, 218-220, 251, 252, 254, 256, 303(r), 332, 403, 405, 410, and 1302.

Total Annual Burden: 50,857 hours.

Total Annual Cost: No Cost.

Privacy Act Impact Assessment: No impact(s).

Nature and Extent of Confidentiality: The Federal Communications Commission (Commission) notes that the Universal Service Administrative Company (USAC or Administrator) must preserve the confidentiality of all data obtained from respondents and contributors to the universal service support program mechanism; must not use the data except for purposes of administering the universal service program; and must not disclose data in company-specific form unless directed to do so by the Commission. Parties may submit confidential information in relation pursuant to a protective order. Also, respondents may request materials or information submitted to the Commission or to the Administrator believed confidential to be withheld from public inspection under 47 CFR 0.459 of the FCC's rules.

Needs and Uses: On November 18, 2011, the Commission adopted an order reforming its high-cost universal service support mechanisms. *Connect America Fund; A National Broadband Plan for Our Future; Establish Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund*, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; GN Docket No. 09-51; CC Docket Nos. 01-92, 96-45; WT Docket No. 10-208, Order (76 FR 73830 (Nov. 29, 2011)) and Further Notice of Proposed Rulemaking (76 FR 78384 (Dec. 16, 2011)), 26 FCC Rcd 17663

(2011) (*USF/ICC Transformation Order*). The Commission and Wireline Competition Bureau have since adopted a number of orders that implement the *USF/ICC Transformation Order*; see also *Connect America Fund et al.*, WC Docket No. 10-90 et al., Third Order on Reconsideration (77 FR 30904 (May 24, 2012)), 27 FCC Rcd 5622 (2012); *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order (77 FR 14297 (March 9, 2012)), 27 FCC Rcd 605 (Wireline Comp. Bur. 2012); *Connect America Fund et al.*, WC Docket No. 10-90 et al., Fifth Order on Reconsideration (78 FR 3837 (Jan. 17, 2013)), 27 FCC Rcd 14549 (2012); *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order (78 FR 22198 (April 15, 2013)), 28 FCC Rcd 2051 (Wireline Comp. Bur. 2013); *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, 28 FCC Rcd 7227 (Wireline Comp. Bur. 2013); *Connect America Fund*, WC Docket No. 10-90, Report and Order (78 FR 38227 (June 26, 2013)), 28 FCC Rcd 7766 (Wireline Comp. Bur. 2013); *Connect America Fund*, WC Docket No. 10-90, Report and Order (78 FR 32991 (June 3, 2013)), 28 FCC Rcd 7211 (Wireline Comp. Bur. 2013); *Connect America Fund*, WC Docket No. 10-90, Report and Order (78 FR 48622 (Aug. 9, 2013)), 28 FCC Rcd 10488 (Wireline Comp. Bur. 2013); *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order, Order and Order on Reconsideration (81 FR 24282 (April 25, 2016)) and Further Notice of Proposed Rulemaking (81 FR 21511 (April 12, 2016)), 31 FCC Rcd 3087 (2016); *Connect America Fund, et al.*, WC Docket No. 10-90, et al., Report and Order (81 FR 44414 (July 7, 2016)) and Further Notice of Proposed Rulemaking (81 FR 40235 (June 21, 2016)), 31 FCC Rcd 5949 (2016); *Connect America Fund et al.*, WC Docket Nos. 10-90, 16-271; WT Docket No. 10-208, Report and Order (81 FR 69696 (Oct. 7, 2016)) and Further Notice of Proposed Rulemaking (81 FR 69772 (Oct. 7, 2016)), 31 FCC Rcd 10139 (2016); *Connect America Fund; ETC Annual Reports and Certifications*, WC Docket Nos. 10-90, 14-58, Order, 32 FCC Rcd 968 (2017); *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order (84 FR 4711 (Feb. 19, 2019)), Further Notice of Proposed Rulemaking (84 FR 2132 (Feb. 6, 2019)), and Order on Reconsideration (84 FR 4711 (Feb. 19, 2019)), 33 FCC Rcd 11893 (2018); *Connect America Fund; ETC Annual Reports and Certifications*, WC Docket Nos. 10-90, 14-58, Report and Order (82 FR 39966 (Aug. 23, 2017)), 32 FCC Rcd 5944 (2017).

In 2019, the Commission adopted an order establishing a separate, parallel high-cost program for the U.S. territories suffering extensive infrastructure damage due to Hurricanes Irma and Maria.

The Uniendo a Puerto Rico Fund and the Connect USVI Fund, et al., WC Docket No. 18-143, et al., Report and Order and Order on Reconsideration (84 FR 59937 (Nov. 7, 2019)), 34 FCC Rcd 9109 (2019) (*Puerto Rico and USVI Stage 2 Order*). Also, in the *2019 Supply Chain Order* (85 FR 230 (Jan. 3, 2020)), the Commission adopted a rule prohibiting the use of Universal Service Fund (USF) support, including high-cost universal service support, to purchase or obtain any equipment or services produced or provided by a covered company posing a national security threat to the integrity of communications networks or the communications supply chain.

Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs, WC Docket No. 18-89, Report and Order (85 FR 230 (Jan. 3, 2020)), Further Notice of Proposed Rulemaking (85 FR 277 (Jan. 3, 2020), and Order (85 FR 230 (Jan. 3, 2020)), 34 FCC Rcd 11423, 11433, para. 26. *See also* 47 CFR 54.9.

Through several orders, the Commission has changed, modified, and eliminated certain reporting obligations for high-cost support. These changes are outlined in the following:

On January 30, 2020, the Commission adopted an order establishing the framework for the Rural Digital Opportunity Fund (RDOF), building on the successful Connect America Fund (CAF) Phase II auction. *Rural Digital Opportunity Fund; Connect America Fund*, WC Docket Nos. 19-126 and 10-90, Report and Order (85 FR 13773 (March 10, 2020)), 35 FCC Rcd 686 (2020) (*RDOF Order*). The RDOF represents the Commission's single biggest step to close the digital divide by providing up to \$20.4 billion to connect millions more rural homes and small businesses to high-speed broadband networks. In the *RDOF Order*, "[t]o ensure that support recipients are meeting their deployment obligations," the Commission "adopt[ed] essentially the same reporting requirements for the RDOF that the Commission adopted for the CAF Phase II auction." *Id.* at 712, para. 56.

In the *2020 Supply Chain Order*, the Commission adopted two additional supply chain rules associated with newly required certifications. *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, WC Docket No. 18-89, Second Report and Order (86 FR 2904 (Jan. 13, 2021)), 35 FCC Rcd 14284 (2020) (*2020 Supply Chain Order*). First, the Commission adopted a rule, 47 CFR 54.10, prohibiting the use of a Federal subsidy made available through a program administered by the Commission that provides funds to be used for the capital expenditures necessary for the provision of advanced communications services to purchase, rent, lease, or otherwise obtain, any covered communications equipment or service, or maintain any covered communications equipment or service previously purchased, rented, leased, or otherwise obtained. Second, the Commission adopted a rule, 47 CFR 54.11, which requires each eligible telecommunications carrier receiving universal service fund support to remove and replace all covered communications equipment and services from their networks, and subsequently certify prior to receiving a funding commitment or support that it does not use covered communications equipment or services. The Commission also adopted procedures, consistent with the Secure and Trusted Communications Networks Act of 2019 (Pub. L. 116-124), to identify such covered equipment and services and publish a Covered List. That list was published March 12, 2021 and will be updated as needed.

In the *Rate Floor Repeal Order*, the Commission decided to “eliminate the rate floor and, following a one-year period of monitoring residential retail rates, eliminate the accompanying reporting obligations after July 1, 2020.” *Connect America Fund*, WC Docket No. 10-90, Order (84 FR 19874 (May 7, 2019)), 34 FCC Rcd 2621, 2621 para. 2 (2019) (*Rate Floor Repeal Order*); see also 47 CFR 54.313(h). As explained in the *Order*, the rate floor was “[i]ntended to guard against artificial subsidization of rural end user rates significantly below the national urban average” but, practically speaking, “increase[d] the telephone rates of rural subscribers . . . and individuals living on Tribal lands.” *Rate Floor Repeal Order*, 34 FCC Rcd at 2621 para. 1.

The Commission therefore revises this information collection, as well as the Form 481 and its accompanying instructions, to reflect these modified and eliminated requirements. Finally, the Commission increases the respondents associated with existing reporting requirements to account for additional carriers that will be subject to those requirements.

FEDERAL COMMUNICATIONS COMMISSION.

Marlene Dortch,
Secretary.
Office of the Secretary.

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